

# BIGGER PICTURE 2013

## GLOSSARY



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### A

<b>AA1000 Assurance Standard (AA1000AS)</b>	A standard for the independent assurance of an organisation's approach to the management, performance and reporting on sustainability issues. It is used to evaluate the adherence to the principles of Inclusivity, Materiality and Responsiveness, and the reliability of specified performance information.
<b>Australian Communications and Media Authority (ACMA)</b>	The Australian government agency responsible for the regulation of broadcasting, radio communications, telecommunications and online content.
<b>Air travel emissions</b>	<p>Carbon emissions (measured in carbon dioxide equivalent or CO<sub>2</sub>e) resulting from air travel by Telstra employees for business. These are accounted for as Scope 3 emissions.</p> <p>Telstra's travel services provider tracks the kilometres travelled.</p> <p>We changed our methodology for calculating carbon emissions from air travel in 2012/13. The UK Department of Environment, Food and Rural Affairs (DEFRA) methodology is now used. This methodology is used by the Greenhouse Gas Protocol and is endorsed by the Australian National Carbon Offset Standard (NCOS).</p> <p>Carbon emissions were previously calculated using the methodology prescribed by the EPA Victoria.</p>
<b>Access for Everyone</b>	Telstra's programs to provide telecommunications services to people in hardship or disadvantaged circumstances. This includes the low-income package and marketing plan obligations under Telstra's Carrier Licence Condition 22.

### B

### C

<b>Carrier</b>	The holder of a Carrier License under Telecommunications Act 1997.
<b>Comcare/ Comcare ratings</b>	<p>The Australian government agency responsible for workplace safety, rehabilitation and compensation in the jurisdiction of the Australian Commonwealth Government.</p> <p>Comcare ratings have three tiers (1-3). The highest is tier 3. This tier reflects a high standard of internal quality assurance, strong management systems and ability to self audit.</p>
<b>Contribution to Gross Domestic Product (GDP)</b>	<p>Measure of the value added by Telstra to Australia's Gross Domestic Product (GDP). This is measured as the difference between telecommunications operating revenue and the cost of non-labour raw materials and other goods and services purchased as inputs and used to produce output.</p>

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<b>Carbon dioxide emissions equivalent (CO<sub>2</sub>e)</b>	<p>The standard unit of measurement used to express and compare emissions from various greenhouse gases on the basis of their global warming potential, by converting amounts of other gases to the equivalent amount of carbon dioxide. The six key greenhouse gases recognised by the Kyoto Protocol and included in Australia's National Greenhouse and Energy Reporting (NGER) Act are:</p> <ol style="list-style-type: none"><li>1. Carbon dioxide (CO<sub>2</sub>)</li><li>2. Methane (CH<sub>4</sub>)</li><li>3. Nitrous oxide (N<sub>2</sub>O)</li><li>4. Perfluorocarbons (PFC)</li><li>5. Hydrofluorocarbons (HFC)</li><li>6. Sulphur hexafluoride (SF<sub>6</sub>)</li></ol>
<b>Carbon emissions intensity (CO<sub>2</sub>e/TB)</b>	<p>The average rate of carbon emissions relative to the intensity of a specific activity. At Telstra, this is expressed as a ratio of tonnes of carbon dioxide equivalent per terabyte (CO<sub>2</sub>e/TB) of data traffic. This is calculated using our Scope 1, 2 and 3 emissions and network data traffic measured as bytes uploaded or downloaded at Access Network Points or Points of Interconnect aggregated from monthly totals.</p>
<b>Carbon dioxide emission factors</b>	<p>Our approach to greenhouse gas emissions reporting is consistent with reporting requirements set out in the National Greenhouse and Energy Reporting (NGER) Act (2007) and subordinate legislation. Carbon dioxide emission factors are derived from Australia's National Greenhouse Accounts and are updated each year to reflect changes in Australia's fuel mix. As per accepted practice, we do not restate previous year emissions based on emission factor updates.</p>
<b>Carbon dioxide emissions total</b>	<p>The aggregated greenhouse gas emissions (Scope 1, 2 and 3) generated by Telstra's activities, expressed in the single measurement unit of carbon dioxide emissions equivalent (CO<sub>2</sub>e). Scope 3 emissions are additional to our reporting obligations under the National Greenhouse and Energy Reporting (NGER) Act 2007. We have chosen to include Scope 3 to provide a more holistic picture of our emissions footprint.</p>
<b>Carbon offsets</b>	<p>Reduced or avoided greenhouse gas emissions from one activity to compensate for or to offset the same amount of greenhouse gas emissions made elsewhere. Carbon offsets are measured in CO<sub>2</sub>e.</p>
<b>Carbon neutral</b>	<p>Achieving net zero carbon emissions through reducing carbon emissions and purchasing carbon offsets to compensate for carbon emissions released during activity.</p> <p>Sensis' print and online directories are certified as 'carbon neutral' through Low Carbon Australia, the Australian Government's official program.</p> <p>To achieve carbon neutral certification, a full and independent Life Cycle Assessment (LCA) of the print and online Yellow Pages and White Pages products was undertaken in 2012/13. The LCA estimates carbon emissions produced during production, use, disposal and distribution of the products and accounts for emissions both in Sensis' operations as well as in its supply chain. The LCA has been approved and endorsed under the National Carbon Offset Standard (NCOS) and offsets were purchased using NCOS eligible suppliers. The LCA is audited by a third party every second year in order to maintain certification to the NCOS Standard.</p>
<b>Contractor</b>	<p>Any person, company or other contracting party engaged to provide services to or on behalf of Telstra under a contract of services, either directly or indirectly (for example, through a third party). This includes agency workers, consultants, agents and suppliers.</p>

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### D

Digital inclusion	Ensuring everyone has access to new information and communication technologies and the benefits they bring, irrespective of age, income, ability, location or disadvantage.
Diversity	Differences that relate to gender, age, ethnicity, disability, sexual orientation and cultural background. Diversity also includes differences in background and life experience, communication styles, interpersonal skills, education, functional expertise and problem solving skills.
Dow Jones Sustainability Index (DJSI)	An investment index that tracks the share performance of the world's leading companies in terms of economic, environmental and social criteria.

### E

Electromagnetic energy (EME)	The energy stored in an electromagnetic field. Most radio communication systems use EME, including mobile phones, base stations, police radio and fire and ambulance services.
Employee engagement	Employee engagement represents the connection that our people have to Telstra and their commitment to its success. Telstra measures employee engagement by conducting Employee Engagement Surveys (EES), through an independent third party, on a regular basis.
Energy and emission savings	Estimated savings of energy efficiency and carbon reduction projects implemented in our network facilities and commercial buildings completed within the financial year. This is calculated as the projected kilowatt hours and carbon emissions equivalents saved as a result of the initiative over 12 months. Emissions are calculated using the appropriate state based carbon emissions co-efficient specified by the National Greenhouse Accounts (NGA) Factors, July 2011. Energy and emissions savings are accurate to +/- 30 per cent.
Energy consumption/use	Energy is used to run all aspects of our operations. Key energy sources include electricity, gas and fuels used in our buildings and vehicle fleet. Electricity and gas consumption is compiled from metering and billing data. Fleet fuel use is derived from fuel card data. We also consume small amounts of other fuels, such as diesel for standby generators and mobile plant. Our energy consumption data for these activities is based on fuel delivery data.
Everyone Connected	<p>Telstra's digital inclusion strategy which aims to ensure everyone can enjoy the everyday benefits of being connected to communications technologies – irrespective of age, income, ability, location or disadvantage.</p> <p>Our Everyone Connected strategy has four key objectives:</p> <ol style="list-style-type: none"><li>1. <b>Access</b> – keeping people connected, especially when they're doing it tough</li><li>2. <b>Capability</b> – helping people have the confidence and skills to enjoy the digital world</li><li>3. <b>Safety</b> – helping people stay safe and responsible online</li><li>4. <b>Innovation</b> – connecting technology with great ideas for social good.</li></ol>
E-waste	Telstra considers e-waste to be any type of waste electronic equipment including fluorescent tubes, computers, monitors, televisions, photocopiers, fax machines, circuit boards, telephones and redundant exchange equipment.

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### F

**Forest Stewardship Council (FSC)**

The Forest Stewardship Council (FSC) is an international non-government organisation that develops standards and promotes responsible management of the world's forests. The FSC logo is an internationally recognised symbol of sustainable business practice and assurance for consumers. The FSC has strict rules regarding the use of its claiming FSC certification and the use of the FSC logo.

**FTSE4Good**

An index series designed to measure the performance of companies that meet globally recognised corporate responsibility standards.

### G

**Global Reporting Initiative (GRI)**

A multi-stakeholder not-for-profit organisation that produces the GRI Sustainability Reporting Guidelines, a comprehensive sustainability reporting framework widely used around the world.

**Gigajoules (GJ)**

A joule is the standard unit of energy in the metric system. A gigajoule (GJ) is one billion joules.

### H

### I

**Identified groups**

Identified groups are female employees, Indigenous employees, other culturally and linguistically diverse employees (CALD), employees with a disability, and gay, lesbian, bisexual, transgender and intersex employees (GLBTI).

**In kind (social and community investment)**

Contribution of products or services, valued at retail cost to Telstra, to assist non-profit organisations.

### J

### K

### L

**Leverage (social and community investment)**

Financial and/or in kind contributions by employees to a partner organisation or project as a direct result of the active support of Telstra.

**Long term leave**

Employees on 12 or more weeks leave.

**Lost time injury (LTI)**

The reported number of occurrences of lost time arising from injury or disease that have resulted in an accepted workers compensation claim.

**Low Income Measures Assessment Committee (LIMAC)**

An independent body that annually assesses the effectiveness of Telstra's low income programs and reports to the Minister for Communications. LIMAC comprises senior representatives from eight national Australian community organisations and the Australian Federal Government.

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### M

<b>Management costs (of social and community investment)</b>	Costs borne by Telstra to deliver the suite of initiatives within our community and social investment programme.
<b>MobileMuster</b>	The Australian mobile phone industry's official product stewardship programme that promotes the responsible disposal and recycling of mobile phones and accessories. Telstra has MobileMuster collection bins at our stores and in some offices to assist customers and Telstra employees recycle their mobile phones and accessories.
<b>Materiality/material sustainability issues</b>	In this context, materiality reflects a measure of the significance and relevance of a sustainability issue to Telstra. We define our material sustainability issues as those that are most important to our business and our stakeholders.

### N

<b>National Broadband Network (NBN)</b>	A high speed broadband network that is planned to reach Australian households with a combination of fibre, fixed wireless and satellite technologies.
<b>National Greenhouse and Energy Reporting (NGER) Act 2007</b>	Provides a single national framework for the reporting and dissemination of information about the greenhouse gas emissions, greenhouse gas projects, and energy use and production of corporations in Australia. Telstra reports its energy use and greenhouse gas emissions in accordance with the operational control model defined in Section 11 of the NGER Act. We also report selected indirect (Scope 3) emissions arising from our business activities to provide a more holistic picture of our emissions footprint. Scope 3 emissions are not required under the NGER Act 2007 and subordinate legislation.
<b>National Greenhouse Accounts (NGA) Factors</b>	Government approved estimates of the global warming potential of activities to assist companies and individuals estimate greenhouse gas emissions.  The NGA Factors draw on the National Greenhouse and Energy Reporting (Measurement) Determination 2008; however methods described have a general application to the estimation of a broader range of greenhouse emissions inventories.
<b>Net Promoter System</b>	A way of doing business that drives customer advocacy. At its heart is the Net Promoter Score – a simple metric that tells us how well we are performing with our customers. The Net Promoter System involves real-time monitoring of customer experiences to identify what is working well and what isn't, and using this insight to drive learning and improvement.
<b>Net Promoter Score (NPS)</b>	A simple metric that shows how well we are performing with our customers. It is calculated based on our customers' likelihood to recommend Telstra. That likelihood is measured on a scale from 0-10 where 0 means 'not at all likely to recommend' and 10 'extremely likely'. It is calculated by subtracting the percentage of Detractors (scores 0 to 6) from the percentage of Advocates (scores 9 and 10). Net Promoter Score (NPS) = % of Advocates minus % of Detractors.
<b>Network related emissions</b>	The emissions component attributable to the operation and maintenance of the Telstra network.
<b>Non-profit organisation</b>	An organisation that uses surplus revenue to achieve its goals rather than distributing them as profits or dividends. These organisations are often established by and for the community with little or no intervention from the government.

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### O

**Olympic-sized swimming pool** An Olympic swimming pool with dimensions 50 m × 25 m × 2 m holds 2,500 m<sup>3</sup> (2.5 megalitres).

**Operational control** Describes the boundary for reporting energy and emissions performance information. Telstra reports its energy use and emissions with respect to the operational control model set out in Section 11 of the NGER Act 2007. Entities included in Telstra's operational control boundary in 2012/13 are: Telstra Network and Ancillary, Sensis, Trading Post (Telstra Media Group), Telstra Plus, Telstra Residences, TShops, 1300 Australia, Chief Entertainment P/L, iVision, Life Events Media Group, True Local Pty Ltd and co-located data centres (server facilities) within Telstra sites.

### P

**Paper consumption** Telstra's major paper use categories are office paper (A4 and A3 paper used in photocopiers, printers and fax machines in commercial offices), billing paper (used for invoicing consumer and business customers) and printing paper (brochures, flyers, magazines etc.). Office paper consumption is based on the average weight of reams purchased. Billing paper consumption is based on the average number of sheets printed per invoice and envelope. Printing paper consumption is based on paper size, weight and grams per square of paper stock.

**Payroll giving** A tax-effective charitable donation scheme whereby employee contributions to charity are deducted from the employee's wage and paid directly to the charity concerned.

### Q

### R

**Revenue foregone (social and community investment)** Social contribution in the form of missed earnings for Telstra to assist community-based, non-profit organisations or customers in time of need.

### S

**Scope 1 emissions** Direct greenhouse gas emissions produced by our organisation as a result of our activities. Telstra's key sources include transport vehicles (excluding car rentals and taxis), heavy machinery, generator sets, natural gas consumption and grounds maintenance. Emissions are calculated using the National Greenhouse Accounts (NGA) Factors, July 2012.

**Scope 2 emissions** Indirect greenhouse gas emissions from the generation of electricity that is purchased and consumed by Telstra. Emissions are calculated using the National Greenhouse Accounts (NGA) Factors, July 2012.

**Scope 3 emissions** Indirect greenhouse gas emissions that are a consequence of our activities but occur from sources we do not operate. For Telstra, this includes emissions from waste disposal, air travel, electricity transmission losses and extraction, production and distribution of fuel. Electricity transmission losses account for the majority of our Scope 3 emissions. Emissions are calculated using the National Greenhouse Accounts (NGA) Factors, July 2012.

**Sensis print products** Paper used for the White and Yellow Pages and Yellow Pages In The Car (regional). Consumption is based on weight provided by the printer.

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### S

<b>Serious injury rate</b>	Serious injury rate is defined as a claim that requires an absence from work of one working week or more per 1,000 full time equivalent employees.
<b>Stationary energy</b>	<p>Energy used by Telstra to power buildings, offices and telecommunications infrastructure. Includes electricity from the grid, diesel fuel used to power emergency generator sets and natural gas for heating systems. Also includes fuel used in grounds maintenance, removing waste water from pits, and solar energy generated and consumed in remote locations.</p> <p>All energy types are converted into Gigajoules (GJ) using their respective energy content conversion factors referenced in the National Greenhouse Accounts (NGA) Factors with emissions calculated for each energy type also using the NGA Factors.</p>
<b>Social and community investment</b>	Investments that create a meaningful benefit for society that are also valuable to the business.
<b>Solar energy generation</b>	<p>Telstra has approximately 13,850 sites with solar panels installed, providing power to telecommunications equipment in rural and remote locations where the power grid does not reach.</p> <p>Kilowatt hours are calculated based on geographic location and designed capacity with reference to the Australian Government's Clean Energy Regulator Small Generation Unit / Small-Scale Technology Certificate guidance.</p>

### T

<b>Terabytes</b>	One terabyte is a trillion bytes. A byte is a unit of digital information in computing and telecommunications.
<b>Telecommunications Industry Ombudsman (TIO)</b>	Dispute resolution service for small business and residential customers who have a complaint about their telephone or internet service in Australia. The TIO is independent of industry, the government and consumer organisations.
<b>Telstra Group</b>	Includes Telstra Corporation and its 50-100% controlled entity full time employees and equivalents, contractors and staff employed through agency arrangements in Australia and internationally. A full list of controlled entities can be found in Note 25 of the Financial Statements in the 2013 Telstra Annual Report.
<b>Time (social and community investment)</b>	Contributions of employee time, during work hours, to assist community-based, non-profit organisations, valued at \$20 per hour.
<b>Transport fuel use</b>	The volume of petrol, diesel and LPG used for the Telstra vehicle fleet and mobile plant. Fleet fuel use is calculated using fuel card data. Minor amounts of fuel e.g. diesel for standby generators and mobile plant, are based on fuel delivery data.
<b>Training spend</b>	We calculate our training spend across employees from the Telstra Group. This number includes permanent, fixed term, dealers, full time and part time but excludes labour costs. Training spend does not include specialised training such as NBN retraining.
<b>Total electricity consumption</b>	Electricity used in Telstra's buildings and network facilities. Electricity data is based on invoiced (billing) data. Where metering data is not available, estimates are calculated on a monthly pro-rata basis.
<b>Total energy consumption</b>	Total consumption of electricity, natural gas and fuels for Telstra's buildings, network and fleet.

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### U

**United Nations Global Compact (UNGC)**

A United Nations initiative to encourage businesses worldwide to adopt sustainable and socially responsible policies, and to report on their implementation. The UNGC is based on ten principles in the areas of human rights, labour, the environment and anti-corruption.

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### V

### W

**Waste emissions**

Telstra generates waste from business activities across its commercial and network portfolio. Emissions are calculated using total tonnes of waste to landfill and applying the Commercial and Industrial waste emission factor from the National Greenhouse Accounts (NGA) Factors, July 2011.

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**Waste recycled**

Waste that is returned to process or recycled. Telstra has a National Waste Management System to optimise waste recycling. Some of the types of waste we recycle include: mixed metal, e-waste, batteries, timber, paper, cardboard and water.

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**Water consumption**

Amount of water consumed as a result of Telstra's operations, expressed as kilolitres (or thousand litres). Consumption is based on billing invoices. Where invoice data is not available, estimates are calculated by either substitution with corresponding month in previous year or neighbouring month's data.

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**Women in management roles**

Management roles are defined as:  
Executive Management (Bands A, B,C)  
Middle Management (Bands 1 and 2)

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### X

### Y

### Z

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Additional information on definitions and assumptions of metrics are available on request. Contact:

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